



*The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Division of Health Care Finance and Policy
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NOTICE OF PUBLIC COMMENT PERIOD

Pursuant to the provisions of M.G.L. c.118G and in accordance with M.G.L. c. 30A, as amended, the Division will hold a public comment period until September 30, 2009 relative to the adoption of amendments to:

114.2 CMR 6.00: STANDARD PAYMENTS TO NURSING FACILITIES

The proposed amendments change the nursing facility payment rates for FY 2010. The amendments increase the nursing facility user fee add-on for Class I facilities from \$11.59 to \$14.65. The add-on for Class II and III facilities is increased from \$1.19 to \$1.47. The amendments also include a new provision for facilities owned and operated by municipalities, which will permit the Division to determine a Certified Public Expenditure for the difference between total Medicaid payments and total Medicaid costs reported on the Medicare CMS 2540 cost report. In addition, the amendments include a new provision establishing guidelines for the MassHealth nursing facility pay-for-performance program.

Goals, Objectives and Justification of the Proposed Methodology

The Division is proposing these changes to ensure that payments are reasonable and adequate to meet the costs which must be incurred by efficiently and economically operated facilities. The user fee add-on is being revised to reflect the FY2010 increase in this assessment. The new pay-for-performance program is intended to promote value-based payment for services that encourages providers to perform activities related to improving the quality of care delivered to MassHealth members.

It is estimated that annual aggregate MassHealth expenditures will increase by \$35 million as a result of these amendments.

Interested parties are encouraged to submit written comments on these amendments by September 30, 2009 to the Division of Health Care Finance and Policy, 2 Boylston Street, Boston, MA 02116. The Division will also schedule a public hearing on the proposed amendments. Copies of the amendments and the proposed rates for each nursing facility are available for inspection and/or purchase at the Division, or may be accessed from the Division's website, <http://www.mass.gov/dhcfp>.